

FOR IMMEDIATE RELEASE – November 4, 2004

GALLEON AGREES TO ACQUIRE PROPERTIES IN DAWSON - PEACE RIVER ARCH

CALGARY, ALBERTA – Galleon Energy Inc. (“Galleon”) announces that it has signed an agreement to purchase oil and gas properties from an arms length party for cash of \$46.7 million subject to closing adjustments. The properties are located in Dawson, Alberta which is one of Galleon’s three core areas located in the Peace River Arch region. Closing is expected by mid-December 2004.

The purchase includes projected production of a minimum of 1,100 boe/d (50% natural gas), strategic infrastructure with eight gas plants (average interest of 56%) and 91 miles of gas gathering systems, approximately 98,000 net acres of undeveloped land and significant upside for low risk development drilling, recompletions, and gas plant optimization. Approximately 20% of the production is subject to rights of first refusal which, if exercised, would reduce the purchase price as well as the amount of production acquired.

This acquisition increases Galleon’s exploration efficiency and per share cash flow. It is a key part of Galleon’s strategic plan to expand its exploration drilling program in the Peace River Arch area of Alberta and to gain control of gas plants and gas gathering systems in the area. Production from this area is characterized by high quality, multi-zone oil and gas reserves.

The acquisition parameters, based on \$30.7 million, which is net of interests in undeveloped land, facilities and gathering systems (attributed value of \$16 million), are as follows:

Reserves, production and net operating income

- Total proven plus probable reserves of 2.2 million boe based on internal engineering estimates
- Reserve cost of \$13.95/boe
- Production cost of \$27,909 per boe/d
- 2.9 times net operating income based on \$6.50/mcf AECO pricing
- Reserve life index of 5.5 years

Key attributes

- Immediately accretive on cash flow and production per share
- Increased exploration efficiency due to a higher interest in committed locations (from 55% to 80%)
- Exploration drilling upside on 30 to 35 locations (22 locations were in the previously committed farm-in agreement)
- 12 low risk drilling locations and 3 recompletion projects
- Opportunity for gas plant optimization
- Owned undeveloped land of 98,000 net acres

- Strategic infrastructure with eight natural gas plants and 91 miles of gas gathering systems (gross replacement value exceeds \$16 million)

The acquisition will be financed through a combination of cash on hand, increased availability of bank credit facilities and a bridge finance facility.

Post closing this transaction, Galleon estimates that its 2004 exit production will be approximately 4,100 boepd (80% natural gas), assuming no exercise of the rights of first refusal. The acquisition increases Galleon's owned undeveloped land to over 170,000 net acres. In total, Galleon has access through ownership and farm-in to over 416,000 gross acres of undeveloped land in the Peace River Arch area.

Galleon trades on the TSX Venture Exchange under the symbols "GO.A" and "GO.B".

Galleon is a junior oil and gas company focused on the acquisition, exploration, exploitation and development of oil and natural gas in western Canada. Galleon's business plan is to grow reserves and production to increase shareholder value through a focused exploration program, strategic acquisitions and controlled exploitation.

FOR FURTHER INFORMATION SEE www.galleonenergy.com OR CONTACT:

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ADVISORY: Certain information regarding Galleon Energy Inc. including management's assessment of future plans and operations, may constitute forward-looking statements under applicable securities laws and necessarily involve risks associated with oil and gas exploration, production, marketing and transportation such as loss of market, volatility of prices, currency fluctuations, imprecision of reserve estimates, environment risks, competition from other producers and ability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release. Disclosure provided herein in respect of boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.